
Staff Responses to Topics Raised by Council at the May 20, 2003 Budget Workshop

Q: For the average figure used in the Sales Tax revenue projections, what is the associated “bandwidth” of the sample?

A: The volatile nature of this revenue source in recent year’s has made projections extremely difficult to calculate. However, by projecting revenues from the “trend line” we are able to stabilize the effects of economic cycles over the life of the plan. Projections for FY 2003/2004 are that the City’s Sales Tax revenue will remain flat at \$22,900,000. In future year’s the projection is based upon an adjusted 8-year historical average, excluding FY 1999/2000 and FY 2000/2001 as statistical anomalies.

The following table shows average Actual Sales Tax revenues in constant 2002/2003 dollars, excluding the above mentioned years.

	Actual Sales Tax in 2002/2003 \$s
5 Year Average	\$27,277,897
8 Year Average	\$27,132,218
10 Year Average	\$27,088,600

The table below lists Actual Sales Tax in 2002/2003 dollars, again excluding FY 1999/2000 and FY 2000/2001.

	Actual Sales Tax in 2002/2003 \$s
1987/88	\$34,616,321
1988/89	\$31,393,132
1989/90	\$31,120,069
1990/91	\$25,064,195
1991/92	\$26,727,980
1992/93	\$27,101,225
1993/94	\$26,013,282
1994/95	\$25,565,645
1995/96	\$29,088,378
1996/97	\$29,525,602
1997/98	\$30,058,785
1998/99	\$27,709,864
2001/02	\$26,195,236
2002/03	\$22,900,000

Q: Will the paramedic set-aside be removed as a line item from the General Fund Financial Plan?

A: Yes, this will be reflected in the Adopted FY 2003/2004 Budget.

Q: What is the plan for the use of funds budgeted under the line item Public Facilities (City) Space Issues? What types of expenditures have these funds been used for?

A: Staff is currently developing a work plan to program these funds into specific projects; however due to current circumstances this is proving to be a difficult endeavor. Three different types of needs are being reviewed simultaneously: the amount of additional space required by staff in the future; the work necessary to maintain the infrastructure of existing facilities and any additional space contemplated; and the on-going routine maintenance of any additional space. Given the large number of variables under consideration, and the certainty of changing conditions over time, whatever work plan is developed will need to be fluid in structure. Staff anticipates that an initial work plan will be completed by July 1, 2003.

Previous expenditures from the Public Facilities (City) Space Issues line item include, one-time funding for the Short-Term Office Space Solution Project, CIP#: 823570. A total of \$751,364 was allocated from the Public Facilities (City) Space Issues Set-Aside for this project. An additional on-going appropriation of \$240,000 from this line-item was appropriated to address the estimated rental requirements associated with occupation of the Sunnyvale Office Center.

Previous expenditures from the Short-Term Office Space Solutions project have provided funding for the relocation of the Department of Human Resources, Park and Recreation Management, and the Department of Public Safety's Fire Prevention Unit to 505 W. Olive and the reconfiguration of several departments at the City Hall campus.

Q: What money has been spent on the Civic Center Master Plan Project?

A: In FY 2001/2002 funds totaling \$250,000 were appropriated to this project. During FY 2001/2002 \$50,165 was expended, and for FY 2002/2003 an additional \$61,883 has been expended, for a total of \$112,048. As part of the City Manager's 6-Point Action Plan this project has not been recommended for further funding and is therefore not included in the FY 2003/2004 Recommended Budget. The remaining \$137,952 has been captured as part of the City Manager's 6-Point Action Plan.

Q: Was a study undertaken to compare the proposed false fire alarm fee with other neighboring cities? If so, how does the proposed fee compare with other cities?

False Fire Alarm Fee

A number of California cities have implemented a False Fire Alarm Fee to recover the considerable costs associated with responding to such occurrences. Currently, Sunnyvale assesses a fee for false burglar alarms, but not for false fire alarms.

The City's Public Safety staff handles more than 1,200 false fire alarms every year. Responding to these alarms requires significant staff time and negatively influences the overall safety of the community by diverting public safety officers from actual emergencies. Although it is difficult to measure the full cost of responding to false fire alarms, e.g., any overtime generated, dispatching costs, level of staff response, wear and tear on the apparatus and equipment, etc., a False Fire Alarm Fee can recover some of the costs, and more importantly, discourage unchecked false fire alarms.

Several cities in the Bay Area were surveyed to determine who charges a fee for false fire alarms. While Palo Alto, Cupertino, San Jose, Mountain View, and Fremont do not currently assess the fee, the cities of Santa Clara, San Mateo, and Redwood City do. Those cities surveyed that currently charge the fee are listed in the table below, along with the proposed new Sunnyvale fee.

City	# of Free False Fire Alarms	Fees
Santa Clara	2 free; penalty for 3 rd in 30-day period	3 rd and subsequent \$150 per occurrence
San Mateo	None	\$240 each occurrence
Redwood City	2 free; penalty after 3 rd in 12-month period	3 rd and subsequent \$375 per occurrence
Sunnyvale- Proposed	2 free; penalty after 3 rd in 12-month period	\$150 for 3 rd and each additional

This table is in Point 5 (Potential Fee, Charge, and Tax Increases) of the City Manager's 6-Point Action Plan report and in the Recommended Budget as part of the Fee Schedule Report to Council.

Q: Council requested additional information regarding Public Safety recruiting and training.

A: Staff will provide additional information to City Council by June 3, 2003.

Q: What is the average age of sworn employees in the Department of Public Safety?

A: Based upon a current total of 248 sworn employees, the average age is 38.42 years.

Q: Staff was asked about the possibility of implementing a biennial Business License Tax payment structure.

A: The Department of Finance has begun research on this and other changes to determine if any increased efficiencies can be realized from the Business License Tax payment process. Staff will bring any changes to the process back to Council for approval through a modification to the Business License Tax Ordinance.

Q: Will the funding associated with Management Bonuses be removed from the financial plan for FY 2002/2003?

A: Yes, this will be reflected in the FY 2003/2004 Adopted Budget.

Q: What is the impact to the community from the reduction of one Hazardous Materials Inspector position?

A: Inspection activity will be maintained for all facilities. The impact from this reduction will be an increase in the cycle time of inspections from 12 to 24 months for lower risk facilities. All mandated inspections will be performed as required. In addition, Hazardous Materials Specialists in Fire Operations will also be assigned to perform inspections, further reducing the impact.

Q: What is the percentage reduction for travel expenses in the Office of the City Manager?

A: The Office of the City Manager has proposed a department-wide reduction of 53% to their Conferences and Meetings, Membership Fees, and Travel budget.